

+-----+
| LOCAL COMMISSIONERS MEMORANDUM |
+-----+

DSS-4037EL (Rev. 9/89)

Transmittal No: 91 LCM-12

Date: January 28, 1991

Division: Administration

TO: Local District Commissioners

SUBJECT: Donated Funds and In-kind Contributions Under the JOBS
Program

ATTACHMENTS: There are no attachments to this LCM.

The purpose of this memorandum is notify you of a recent change in Federal policy regarding the use of donated funds as the State and Local shares in matching Federal funds for the Job Opportunities and Basic Skills Program (JOBS).

You were previously notified of some Federal restrictions concerning the use of in-kind contributions or donated funds through 90 LCM-185. One of those restrictions was that if funds were to be donated by another public agency for this purpose, then the funds would have to be appropriated directly to the State or Local agency, or transferred from another public agency to the State or Local agency and be under its administrative control.

Because of the difficulties several states and local agencies experienced in trying to comply with this transfer of funds requirement, the Federal policy was changed to allow the use of a memorandum of understanding with the following terms to suffice as the "transfer of public funds" requirement.

TERMS THAT MUST BE INCLUDED IN THE MOU

The [name of the agency or local government] (hereinafter "agency") and the [name of the local] IV-A agency (herein after "IV-A agency") responsible for administering the Job Opportunities and Basic Skills Training program under title IV-F of the Social Security Act agree:

(1)(a) In lieu of transfer of funds, the agency will identify the specific amount of funds that the IV-A agency may use as the non-Federal share of JOBS expenditures, and

(1)(b) The funds that the agency identifies for use as the non-Federal share of JOBS expenditures are for services and activities that are not otherwise available on a non-reimbursable basis in accordance with 45 CFR 250.72(c).

(2) The IV-A agency has the authority to determine the specific activities and services that are not otherwise available on a non-reimbursable basis in accordance with 45 CFR 250.72(c).

(3) State or Local funds identified for this purpose may not be used to match other Federal funds.

Districts which use this MOU option must comply with the following provisions (these do not have to be specifically stated in the MOU):

(a) Decision-making with regard to individual participants performed by the agency must be conducted in accordance with 45 CFR 250.10(b);

(b) The agency must provide fiscal and program data to the IV-A agency upon its request to assure compliance with Federal fiscal and program reporting requirements;and

(c) The IV-A agency, the Family Support Administration and other agencies having Federal oversight responsibilities for the JOBS program must have access to fiscal records of the agency for all JOBS program expenditures.

Please remember the requirements stated in 90 LCM-185 concerning donated private funds remain unchanged. These funds must:

Be transferred to the State or Local agency and are under its administrative control.

Be donated without any restriction which would require their use for assisting a particular individual or at particular facilities or institutions.

Not be revertible to the donor.

Date January 28, 1991

Trans. No. 91 LCM-12

Page No. 3

As previously stated in 90 LCM-185, in-kind contributions are not allowable to be used as the as the State and Local match under JOBS.

Any questions concerning this memorandum should be directed to Irid Gordon-- Upstate Office at 1-800-342-3715, extension 4-7549, or Marvin Gold-- Metropolitan Office at (212) 804-1108.

Richard Radzynski
Director
Local Financial Operations
Office of Financial Management